sanctions in respect of projects to be financed by USA, World Bank, ADB, Japan, Australia, Germany, Sweden, Norway and Denmark. There is no effect on ongoing major projects.

Hidden subsidies in the economy

1013. SHRI PREM CHAND GUPTA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that as per a recent report, the total amount of hidden subsidies in the economy was 10 per cent of the G.D.P.;

(b) whether 65 per cent of the total subsidies meant for the poor were mostly enjoyed by the affluent classes; and

(c) if so, what is Government's views on this?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) to (c) As per the discussion paper entitled "Government Subsidies in India" based on a detailed research study by the National Institute of Public Finance and Policy the aggregate subsidy in 1994-95 for all Goods/Services provided by the Central and State Governments is placed at Rs. 137,338 crore and constituted 14.4. per cent of the Gross Domestic Product. Total subsidies on social services constituted 3.4 per cent of GDP while subsidies on economic services constituted 11 per cent of GDP. The endeavour of the Central Government has been to rationalise the system of subsidies by making them transparent, and helping the poor, vulnerable and weaker sections of the community.

Exchange value of rupee vis-a-vis dollar

1014. MISS SAROJ KHAPARDE: Will the Minister of FINANCE be pleased to state:

(a) the exchange value of the rupee vis-a-vis US dollar in August, 1998;

(b) how the value compare with that prevailed in August, 1997;

(c) the reasons for fall in the value of the rupee; and

(d) the steps taken by Government to stabilise the value of rupee vis-a-vis other currencies?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) and (b) The monthly average exchange rate of the rupee vis-a-vis the US dollar in August 1998 was Rs. 42.76, which shows a depreciation of rupee of 16.0 per cent compared with the average rate of Rs. 35.92 in August 1997.

(c) The fall in the value of the rupee against the US dollar may be attributed to adverse sentiments and nervous reactions from the turmoil in the East-Asian financial markets.

(d) The exchange rate of the rupee is market-determined. The exchange rate developments are closely monitored both by the Government and the Reserve Bank of India (RBI). While allowing market developments to be reflected in the exchange rate considerations, such as preservation and improvement of external competitiveness, the RBI, as and when necessary, intervenes in the foreign exchange market and deploys suitable monetary and other measures to counter speculative pressures on the rupee and to ensure orderly foreign exchange market conditions.

औद्योगिक घरानों द्वारा बैंक-ऋण का भुगतान

1015. **श्री रामजीलाल:** क्या वित्त मंत्री यह बताने की कृपा करेंगे कि:

(क) क्या यह सच है कि अनेक औद्योगिक घरानों एवं औद्योगिक इकाइयों ने बैंकों और वित्तीय संस्थाओं से लिए गए ऋणों का भुगतान नहीं किया है;

(ख) यदि हां, तो ऐसे औद्योगिक घरानों और इकाइयों के नाम क्या हैं जिन पर पिछले पांच वर्षों के दौरान एक लाख रुपए से अधिक का ऋण बकाया है;

(ग) क्या यह भी सच है कि सरकार ऐसे औद्योगिक घरानों और इकाइयों को पुनः ऋण देने पर विचार कर रही है; और

(घ) यदि हां, तो इसके क्या कारण है?

वित्त मंत्रालय (बैंकिंग, राजस्व तथा बीमा) में राज्य मंत्री (श्री कादम्बूर एम०आर० जनार्दनन): (क) से (घ) भारतीय रिजर्व बैंक की आंकड़ा निगरानी प्रणाली से मांगे गए तरीके के अनुसार सूचना नहीं प्राप्त होती है। दिनांक 31.3.1998 की स्थिति के अनुसार, सरकारी क्षेत्र के 27 बैंकों की 44800 शाखाओं के भौगोलिक विस्तार को ध्यान में रखते हुए इस तथ्य को ध्यान में रखते हुए कि बैंकों ने विभिन्न स्तरों पर शाखा प्रबंधकों द्वारा ऋणों को स्वीकृत करने के लिए शक्तियां प्रत्यायोजित कर दी हैं और साथ ही खातों की अत्यधिक संख्या के कारण जिनमें से प्रत्येक में बकाया राशि एक लाख रु० से अधिक होगी, इन बैंकों के क्षेत्रीय शाखाओं से सूचना एकत्र करने का कार्य प्राप्त होने वाले परिणामों के अनुरूप नहीं होगा।

Finalisation of claim bills by National Insurance Company, Rajendra Place, New Delhi

1016. SHRIMATI MALTI SHARMA: SHRI RAJ NATH SINGH:

Will the Minister of FINANCE be pleased to state:

(a) what are the criteria adopted by National Insurance Company, Rajendra Place, New Delhi for finalising the claim bills;

(b) the details of cases pending with NIC since August, 1998 till date, bill and month-wise; and

(c) by when all these bills would be finalised?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN): (a) to (c) The information is being collected and will be laid on the Table of the House.

Income tax raids on MNCs.

1017. SHRI GHUFRAN AZAM: Will the Minister of FINANCE be pleased to state:

(a) whether the Income Tax authorities in Delhi have conducted raids at MNCs in the month of September this year and found tax irregularities worth crores of rupees as reported in the Hindustan Times dated the 4th September, 1998;

(b) if so, the details thereof;

(c) whether the involved MNCs would be blacklisted and they would not be linked with Government on business issues; and

(d) if so, whether any further action would be initiated against them as per laws; and if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN): (a) and (b) The offices of some foreign companies were surveyed by the Income Tax authorities in Delhi in connection with non-deduction and non-payment of Taxes deducted at Source. The name of the Companies are given in the Statement. (*See* below)

(c) The Income-Tax Law does not provide for black-listing of companies or preventing such companies from doing business with the Government of India.

(d) Whenever there is short deduction of taxes at source or short-payment of taxes deducted at source, these are required to be made good along with interest according to law.

All such cases are also examined from the point of view of initiating penalties and prosecutions according to law.

Statement

S.No.	Name of the Company
1.	The Bank of Tokyo-Mitsubishi Ltd., New Delhi Branch
2.	Japan Airlines
3.	L.G. Electronics
4.	Samsung Electronics
5.	Lufthansa Airlines
6.	The Sakura Bank Ltd., New Delhi
7.	The Sanwa Bank Ltd., New Delhi
8.	National Panasonic India Ltd.
9.	Matsushita Electric Co. New Delhi